

WESTINGHOUSE ELECTRIC CORPORATION



SAPC 3/25

COPY 1 OF 3

FRIENDSHIP
INTERNATIONAL AIRPORT
BALTIMORE 27, MD.

22 December 1955

ILLEGIB

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SUBJECT: Proposal AAN-40037-C Revision 1, dated
21 December 1955; Letter Contract FL-3011

Dear Mr. Kucero:

Three copies of Westinghouse's Technical Proposal, AAN-40037-C,
Revision 1, Radar Mapping Set, dated 21 December 1955 are enclosed.

The following delivery schedule applies to the items outlined in
the referenced proposal:

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>SCHEDULE</u>
1	Four (4) Radar Mapping Sets	1 - May 1956 ✓ 1 - June 1956 1 - July 1956 1 - August 1956
2.	Maintenance Tools and Test Equipment	May 1956
3.	Spare Parts	May 1956
4.	Two (2) Receiver-Transmitters	August 1956

Attached is a suggested schedule applicable to a definitive contract for this program. A draft of the General Provisions was submitted previously for your consideration.

**CONTAINS SENSITIVE
COMPARTMENTED INFORMATION**

- 1 -

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For the program proposed, Westinghouse submits a fixed price quotation, subject to redetermination as set forth in the proposed contract clauses, of \$988,257, which includes \$63,573 profit based on 7% of estimated cost. By item this quotation is composed as follows:

<u>ITEM</u>	<u>PROFIT</u>	<u>PRICE INCLUDING PROFIT</u>
1	44,491	680,081
2	3,571	54,583
3	12,291	204,374
4	3,220	49,219

Three copies of Cost Analysis sheets supporting this quotation are attached.

The Spare Parts List, Appendix "C" to the technical proposal, contains approximately 85% of the items required for support of the equipment. As the design progresses, this list will be supplemented to include the remaining items and also spare parts items required for the test equipment. Upon submission of the supplemental list, a separate quotation of price and delivery for the additional spare parts will be submitted.

It is understood that additional engineering, liaison and maintenance services will be required after equipment delivery and will be negotiated later.

In response to your request, a quotation for eighteen (18) Radar Mapping Sets has also been prepared. Subject to the same conditions as the quotation for four (4) equipments, a fixed price quotation of \$2,058,940 is submitted which includes \$134,697 profit. This quotation includes elements of cost duplicated in the quotation for four equipments, i.e. Engineering, design, factory tools and test equipment, shop development. If the present order were increased to eighteen (18) equipments by 31 December 1955, delivery of the fourteen (14) remaining equipments could be scheduled as follows:

- 2 - September 1956
- 3 - October 1956
- 3 - November 1956
- 3 - December 1956
- 3 - January 1957

Very truly yours,

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Sales Engineering
Air Arm Division

COST ANALYSIS
FOR
COST PLUS FIXED FEE CONTRACTS

GENERAL - This analysis includes:

Description Four (4) Radar Mapping

1. ☒ Estimated cost for bid Sets - Per Proposal AAN-40037C Rev. 1
And Appendix A Thereof
2. ☐ Entire Contract _____ Item No. 1
3. ☒ G.O. or Neg. No. _____ Contract No. _____ Bid Date Dec. 21, 1955
AAN-40037C Rev. 1

COST ANALYSIS

		Dollar Amount
A Direct Cost		
	Engineering Material	17,800
(1)	Direct Material (Factory)	\$ 292,628
(2)	Factory Shop Labor 12,549 Hrs. @ 2.17	27,231
(3)	Factory Shop Overhead (168.3% of Item 2)	45,830
(4)	Engineering Labor 28,670 Hrs. @ 3.10	88,877
(5)	Engineering Overhead (75.7% of Item 4)	67,280
(6)	Drafting Labor 9370 Hrs. @ 2.35	22,020
(7)	Drafting Overhead (75.7% of Item 6)	16,669
(8)	Other Items of Direct Cost (Specify)	-
(9)	Subtotal - Items of Direct Cost	\$ 578,335
B. General and Administrative Expense		
	(9.9 % of Item A (9)	57,255
C. Estimated Cost		635,590
D. Fixed Fee (Percentage of Items) Profit		44,491
E. Other Contract Performance Cost		-
Total Estimated Cost, including Profit		\$ 680,081

This is to certify that the information contained in this report has been compiled from the records and books of this Company (or if covering a bid estimate, is based on such books and records), and to the best of our knowledge and belief, the costs and expenses shown hereon are correctly stated.

WESTINGHOUSE ELECTRIC CORPORATION

Date December 21, 1955

By

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Sales Department

COST ANALYSIS
FOR
COST PLUS FIXED FEE CONTRACTS

GENERAL - This analysis includes:

Description Maintenance Tools and

1. ☒ Estimated cost for bid Test Equipment.
2. ☐ Entire Contract Item No. 2
3. ☒ G.O. or Neg. No. Contract No. Bid Date Dec. 21, 1955
- AAN-40037-C Rev. 1

COST ANALYSIS

A Direct Cost	<u>Dollar Amount</u>
(1) Direct Material	\$ <u>27.097</u>
(2) Model Shop Labor 625 @ 2.28	<u>1.425</u>
(3) Model Shop Overhead (<u>75.7</u> % of Item 2)	<u>1.079</u>
(4) Engineering Labor 2900 @ 2.81	<u>8.149</u>
(5) Engineering Overhead (<u>75.7</u> % of Item 4)	<u>6.169</u>
(6) Drafting Labor 600 @ 2.37	<u>1.422</u>
(7) Drafting Overhead (<u>75.7</u> % of Item 6)	<u>1.076</u>
(8) Other Items of Direct Cost (Specify)	<u> </u>
(9) Subtotal - Items of Direct Cost	\$ <u>46.417</u>
B. General and Administrative Expense	
(<u>9.9</u> % of Item A (9))	<u>4.595</u>
C. Estimated Cost	<u>51.012</u>
D. Fixed Fee (% of Item C) Profit	<u>3.571</u>
E. Other Contract Performance Cost	<u> </u>
Profit	
Total Estimated Cost, including Fixed Fee	\$ <u>54.583</u>

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WESTINGHOUSE ELECTRIC CORPORATION

Date 21 December 1955

B

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Sales Department

COST ANALYSIS
FOR
COST PLUS FIXED FEE CONTRACTS

GENERAL - This analysis includes:

Description Spare Parts Per

1. ☒ Estimated cost for bid Appendix C
2. ☐ Entire Contract _____ Item No. 3
3. ☒ G.O. or Neg. No. _____ Contract No. _____ Bid Date Dec. 21, 1955
- AAN 40037C Rev. 1

COST ANALYSIS

A Direct Cost	Dollar Amount
(1) Direct Material	\$ 126,900
(2) ^{Factory} Model Shop Labor 5914 @ 1.87	11,059
(3) Model Shop Overhead (168.3% of Item 2)	18,612
(4) Engineering Labor 575 @ 3.16	1,817
(5) Engineering Overhead (75.7% of Item 4)	1,375
(6) Drafting Labor	
(7) Drafting Overhead (____% of Item 6)	
(8) Other Items of Direct Cost (Specify)	
(9) Subtotal - Items of Direct Cost	\$ 159,763
B. General and Administrative Expense	
(9.9 % of Item A (9)	15,816
C. Estimated Cost	175,579
D. Fixed Fee (____% of Item C) Profit	12,291
E. Other Contract Performance Cost-Packing & Packaging	16,504
(9.4% of estimated cost.	
Total Estimated Cost, including Fixed Fee Profit	\$ 204,374

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WESTINGHOUSE ELECTRIC CORPORATION

Date December 21, 1955

By

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Sales Department

COST ANALYSIS
FOR
COST PLUS FIXED FEE CONTRACTS

GENERAL - This analysis includes:

Description Two Receiver-Transmitters

1. ☒ Estimated cost for bid _____
2. ☐ Entire Contract _____ Item No. 4
3. ☒ G.O. or Neg. No. _____ Contract No. _____ Bid Date Dec. 21, 1955
- AAN-40037C Rev. 1

<u>COST ANALYSIS</u>		<u>Dollar Amount</u>
A	Direct Cost	
(1)	Direct Material	\$ <u>34,160</u>
	Factory	
(2)	Model Shop Labor 1334 ManHours @2.15	<u>2,868</u>
	Factory	
(3)	Model Shop Overhead (168.3% of Item 2)	<u>4,827</u>
(4)	Engineering Labor	_____
(5)	Engineering Overhead (_____ % of Item 4)	_____
(6)	Drafting Labor	_____
(7)	Drafting Overhead (_____ % of Item 6)	_____
(8)	Other Items of Direct Cost (Specify)	_____
(9)	Subtotal - Items of Direct Cost	\$ <u>41,855</u>
B.	General and Administrative Expense	
	(<u>9.9</u> % of Item A (9)	<u>4,144</u>
C.	Estimated	<u>45,999</u>
D.	Fixed Fee (_____ % of Item C) Profit	<u>3,220</u>
E.	Other Contract Performance Cost	_____
	Profit	
	Total Estimated Cost, including Fixed Fee	\$ <u>49,219</u>

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WESTINGHOUSE ELECTRIC CORPORATION

Date December 21, 1955

By _____

STAT

Sales Department

COST ANALYSIS
FOR
COST PLUS FIXED FEE CONTRACTS

GENERAL - This analysis includes:

Description Eighteen (18) Radar
Mapping Sets per Proposal AAN-40037-C
Rev. 1 and Appendix A Thereof.

1. ☒ Estimated cost for bid
2. ☐ Entire Contract _____ Item No. _____
3. ☒ G.O. or Neg. No. _____ Contract No. _____ Bid Date Dec. 21, 1955
AAN-40037-C Rev.1

COST ANALYSIS

		Dollar Amount
A Direct Cost		
	Engineering Material	18,140
(1)	Direct Material (Factory)	\$ 1,243,476
	Factory	
(2)	Model Shop Labor 47,368 Hrs. @ 2.15	101,841
	Factory	
(3)	Model Shop Overhead (168.3% of Item 2)	171,398
(4)	Engineering Labor 32,330 Hrs. @ 3.11	100,546
(5)	Engineering Overhead (75.7% of Item 4)	76,113
(6)	Drafting Labor 9540 Hrs. @ 2.35	22,419
(7)	Drafting Overhead (75.7% of Item 6)	16,971
(8)	Other Items of Direct Cost (Specify)	
(9)	Subtotal - Items of Direct Cost	\$ 1,750,904
B. General and Administrative Expense		
	(9.9 % of Item A (9)	173,339
C. Estimated Cost		1,924,243
D. Fixed Fee (xxxxxx% of Item C) Profit		134,697
E. Other Contract Performance Cost		-
Total Estimated Cost, including Profit		\$ 2,058,940

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WESTINGHOUSE ELECTRIC CORPORATION

Date December 21, 1955

By _____

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Sales Dept.

FACTORY MATERIAL

Each System

Recorder	29,700
Power Supply	1,691
Modulator	5,918
R-F Head	11,162
Adaptor	609
Antenna	13,036
Pressure System	<u>2,216</u>
	<u>\$64,332</u>

4 Lot - Tools	4,100	
Shop Dev.	3,200	
Test Equip.	<u>28,000</u>	
	<u>\$35,300</u>	
	<u>257,328</u>	- Mat - 4 Systems
	<u>\$292,628</u>	Total

18 Lot - Tools	5,500	
Shop Dev.	13,500	
Test Equip.	<u>66,500</u>	
	<u>85,500</u>	
	<u>1,157,976</u>	- Mat - 18 Systems
	<u>\$1,243,476</u>	Total

HAN-40037-C
Rev 1

FACTORY LABOR

	<u>Set Up</u>	<u>Run Time Each System</u>
Recorder	1489 Hrs.	629 Hrs.
P.S.	497	210
Mod.	526	144
R.F. Head	821	523
Adaptor	89	41
Pressure System		4
Antenna	$\frac{219}{3641}$ Hrs.	$\frac{676}{2227}$ Hrs.

4 Lot - 3641 Set Up
 8908 Run Time
 12,549 Hrs.

18 Lot 7,282 Set Up
 40,086 Run Time
 47,368 Hrs.

ENGINEERING - LABOR AND MATERIALS - (4 Lot)

LABOR - Drafting	2.35	9370 Hrs.	
SR	3.35	20,900 Hrs.	\$70,015
Engrg. Lab	1.91	2,200 Hrs.	4,202
F.E.	2.70	3,370 Hrs.	9,099
T.P.	2.49	1,100 Hrs.	2,739
C.E.	2.64	1,100 Hrs.	2,904
		<u>28,670</u>	<u>88,959</u>
		=	<u>28,670</u>
			\$3.10/hr.

MATERIAL

\$17,800

ENGINEERING LABOR AND MATERIALS - (18 Lot)

Labor

Draft	9540	
SR	3.35 x 24,060	\$80,601
Engrg. Lab	1.91 x 2,700	5,157
F.E.	2.70 x 3,370	9,099
TP	2.49 x 1,100	2,739
CE	2.64 x 1,100	2,904
	<u>32,330</u>	<u>100,500</u>
		32,330

= \$3.11/hr.

MATERIAL

\$18,140

APPENDIX B
MAINTENANCE TOOLS AND TEST EQUIPMENT LIST

<u>Item No.</u>	<u>Estimated Direct Cost</u>
1	565
2	975
4	270
10	250
14	640
15	300
16	120
18	145
19	12,000
20	400
21	3,600
24	405
25	205
44	4,940
45	10,840
63	7,300